

**GAMBLING CONTROL BOARD MEETING  
MINUTES  
11/18/04 AT 12:30 p.m.**

**Opening:** The regular meeting of the Gambling Control Board was called to order at 12:40 p.m. on 11/18/04 at the Dept. of Public Safety, Gambling Control Conference Room by Chairman George McHale.

- **Introduction of Gambling Control Board Members and Staff**

**Board Members present:** Chairman George McHale, Jean Deighan, Michael Peters, Peter Danton and Larry Hall.

**DPS Staff present:** Commissioner Michael Cantara,

**Board Staff present:** Exec. Dir Robert Welch, Lt. Thomas Kelly, and Kathy Chamberlain.

**Legal Counsel:** Laura Y. Smith, A.A.G. and Melissa O'Dea, A.A.G.

- **Review of 11/04/04 Minutes:**

**Motion:** Mike Peters moved that the minutes be accepted. Larry Hall seconded.

**Vote:** Unanimous vote to accept.

- **Central Site Monitoring System RFP Update:**

Lt. Kelly updated the Board regarding the status of the RFP process for the Central Site Monitoring System.

On 11/22 and 11/23, the Committee and the Board's consultant, Todd Elsasser from GLI, will be hearing presentations by the four vendors on their individual proposals.

On 12/6 and 12/7, a Subcommittee of the Review Committee consisting of Lt. Kelly, Mike Peters (Board Member), and Wayne Gallant, (Dept of Public Safety Information Services) will be going to GLI in Lakewood, NJ to further evaluate each system with GLI.

The Subcommittee will designate the winning proposal on December 10<sup>th</sup>.

Dick Thompson, State Information Officer and Chairman of the RFP Review Subcommittee, will present the winning proposal to the Board at the 12/16/04 Board meeting.

- **January and March Reports to Legislature:**

Exec. Dir. Bob Welch discussed with the Board their Report and Recommendations to the Governor and Legislature (per Title 8, Chapter 31) by January 15, 2005, on bringing within the jurisdiction of the Board regulatory authority of Off-Track Betting, High Stakes Beano, Beano, Para-mutual Wagering and Games of Chance.

Mr. Welch also advised that the March Report to the Legislature is a progress report on the Board's proceedings.

Issue tabled to the December 16<sup>th</sup> meeting.

- **Duties of the Board Delegated to the Executive Director:**

Discussion as to what duties are (1) for the Board only, (2) for the Board or delegate, or (3) for the Dept of Public Safety, as charged by P.L. 687. Laura Y. Smith, Legal Counsel, advised she would review the list and give her recommendations at the 12/16/04 meeting.

Issue tabled to the December 16<sup>th</sup> meeting..

- **Penn National's Conditional License:**

A draft of a Conditional License was received by the Board and presented by the Board's Legal Counsel.

Discussion on the projected cost of suitability and background investigations of Penn National and their Key Executives.

**Motion by Mr. Danton:** I would like the Commissioner (and Exec. Dir.- see amendment below) to advise what the criteria is for us to take and come up with projected costs, so we can charge these people the service we put in, in our investigations.

**Seconded by Larry Hall.**

Lt. Kelly suggested that perhaps as a benchmark, they could talk to Henry Jackson at the Harness Racing, to see what man-hours were generated during the suitability investigation for the commercial track license.

**Motion Amendment:** Jean Deighan advised that she would like to add the Executive Director to Mr. Danton's motion, in addition to the Commissioner determining the projected costs and criteria.

Mr. Danton amended his motion to include the Exec Dir.

**Vote:** Unanimous vote

**Motion by Jean Deighan:** To accept this (Licensing document prepared by Board's Legal Counsel) with changes: (1). "On pg 2 of 4 – 2<sup>nd</sup> full paragraph starting with 'The Board finds'. ....Eliminate the last sentence. (2). Add the language that Laura Y. Smith read to us, 'The Board reserves the right to make assessment pursuant to 8 M.R.S.A. Section 1018 for any costs of processing the application and conducting background investigations.' (3). "On pg 3 of 4, #3, remove the last two sentences.

Unanimous vote of 4. Mr. Peters had left the room.

Recess at 1335 hours to allow time for Lt. Kelly and legal counsel to make the above changes to the computerized document for a final copy.

Meeting reconvened at 2:10 p.m. with revisions complete.

**Point of order:** Mr. Peters did not second Jean Deighan's motion prior to the break as previously thought.

**Motion by Jean Deighan stated again:** I move that we accept the draft of the findings of fact (Licensing document prepared by Board's Legal Counsel) and decision as presented in the draft with the following changes: We have the new version in front of you, I'm going to tell you what they are though. On page 2 of 3, in the 2<sup>nd</sup> paragraph, there is a last sentence now and the last sentence is as follows: the Board lacks sufficient information (instead of premature) to project costs at this time, given the incompleteness of the application submitted and the status of the staff investigation. The next change is in Paragraph 4, the applicant has stated it's unwillingness to provide the same information to the Maine Gambling Board at this time it's included to make it clear that the applicant would be willing to provide us the information once Maine laws contained the confidentiality language. We did continue to remove the last two sentences on Pg 3 of 3, which is a modification of the paragraph and that now says that modification will not be considered without receipt of completed application materials and any costs assessed pursuant to 8 M.R.S.A section 1018. And finally, there is an addition of the 3<sup>rd</sup> to the last paragraph, "the Board reserves the right to make assessment pursuant to 8 M.R.S.A. section 1018 for any costs of processing the application and conducting background investigations. Those are the changes.

**Peter Danton seconded the motion.**

**Vote:** Unanimous vote by the Board.

**Motion:** Jean Deighan made the motion to accept the Conditional License for Penn, with the changes that were made. Peter Danton seconded.

**Vote:** Unanimous vote to accept.

- **Public Comment:**

None received.

- **Other Business:**

In the case of inclement weather on a Board meeting date, Exec. Dir will decide by 9:00 a.m. on that day if the meeting will be cancelled. Board members will be contacted immediately and a notice will be posted on the website at: [www.state.me.us/dps/GambBoard/](http://www.state.me.us/dps/GambBoard/)

**Next Board meeting will be held on 12/16/04 at 12:30 p.m. at the Dept. of Public Safety, Gambling Control Conference Room.**

Meeting adjourned at 2:20 p.m.